

Message Text

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PAGE 01 STATE 156085
ORIGIN AID-07

INFO OCT-01 SS-14 ISO-00 IO-06 EB-04 TRSE-00 EUR-08
OIC-01 ABF-01 OMB-01 AF-04 ARA-10 EA-06 NEA-07
H-01 INR-05 NSC-05 NSCE-00 CIAE-00 SP-02 L-01
IGA-01 PRS-01 USIA-01 /087 R

DRAFTED BY A/AID:PBIRNBAUM:AMR
APPROVED BY A/AID:PBIRNBAUM
IO/AGR:JWOLF
STATE /EB:JWINDER
TREASURY:LLOWENSTEIN
EUR/WE:JSWIHART (SUBS)
-----063753 060230Z /72-65
P 060029Z JUL 77
FM SECSTATE WASHDC
TO AMEMBASSY ROME PRIORITY

LIMITED OFFICIAL USE STATE 156085

LIMDIS FOR AMB GARDNER

E.O. 11652: N/A

TAGS: EAGR

SUBJECT: AMBASSADOR AL-SUDEARY'S OBJECTIONS TO U.S. POSITION
ON PROPOSED IFAD ORGANIZATIONAL STRUCTURE AND STAFF

REF: A) ROME-10258 B) STATE 154169

1. PER REFTEL WE ARE CONCERNED THAT A POINT OF FRICTION IS
DEVELOPING BETWEEN USG AND AL-SUDEARY ON PROPOSED IFAD
ORGANIZATIONAL STRUCTURE, SIZE AND SALARIES.

2. WE BELIEVE A SPECIAL EFFORT HAS TO BE MADE TO DIRECTLY
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COMMUNICATE TO AL-SUDEARY AND GAIN HIS UNDERSTANDING/
SUPPORT OF U.S. POSITION RE THIS SUBJECT BASED UPON THE
FOLLOWING POINTS:

A. THE PRESIDENT, CONGRESS AND THE U.S. PUBLIC
PERCEIVE AN URGENT NEED TO STREAMLINE THE ORGANIZATIONAL
STRUCTURE AND BETTER CONTROL SALARIES OF INTERNATIONAL

ORGANIZATIONS SO AS TO IMPROVE THEIR MANAGEMENT EFFICIENCY AND REDUCE OPERATING COSTS. PRESIDENT CARTER IN TRANSMITTING HIS FY 1978 FOREIGN AID REQUEST TO CONGRESS STRESSED THE IMPORTANCE OF IMPROVING THE MANAGEMENT AND EFFICIENCY OF ASSISTANCE PROGRAMS "IN ORDER TO GUARANTEE THAT BENEFITS WILL ALWAYS BE DELIVERED TO THOSE FOR WHOM THE PROGRAMS WERE DESIGNED"... "AND WE WILL INSIST THAT INTERNATIONAL PROGRAMS WE SUPPORT DO MORE TO CONTROL THEIR ADMINISTRATIVE OVERHEADS."

B. FROM IFAD'S INCEPTION, ALL MEMBER GOVERNMENTS STRESSED THE NEED TO AVOID BUILDING A NEW COSTLY INTERNATIONAL BUREAUCRACY AND THEREFORE IFAD'S ARTICLES OF AGREEMENT SPECIFICALLY CALL FOR THE FUND WORKING THROUGH EXISTING INTERNATIONAL ORGANIZATIONS. WE WERE ABLE TO GET PROMPT CONGRESSIONAL SUPPORT FOR OUR FULL DOLS 200 MILLION CONTRIBUTION BECAUSE OF THESE PRINCIPLES. SENATE COMMITTEE ON FOREIGN RELATIONS REPORT ON INTERNATIONAL DEVELOPMENT ASSISTANCE ACT OF 1977, DATED MAY 13, 1977 AGAIN STRESSES THIS CONCERN QUOTE IT (IFAD) SHOULD KEEP ITS OWN STAFF TO AN ABSOLUTE MINIMUM. THE PURPOSE OF IFAD IS NOT TO EXPEND ITS FUNDS SUPPORTING ANOTHER INTERNATIONAL BUREAUCRACY. THE COMMITTEE DESIRES THE EXECUTIVE BRANCH TO USE THE INFLUENCE OF THE U.S. GOVERNMENT TO ASSURE EFFECTIVE USE OF IFAD FUNDS THROUGH EXISTING ORGANIZATIONS. UNQUOTE. A LEAN AND LIMITED OFFICIAL USE

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EFFICIENT IFAD WILL BE A KEY ELEMENT IN GOVERNMENTAL DECISIONS WITH REGARD TO FUTURE REPLENISHMENTS.

C. USG IS NOT ARBITRARILY OBJECTING TO A SPECIFIC NUMBER OR LEVEL OF STAFF. WE RECOGNIZE THAT IFAD MUST HAVE AN ADEQUATE STAFF TO CARRY OUT ITS MANDATE, AND TO BE ACCOUNTABLE FOR THE EFFICIENT EXPENDITURE OF ITS RESOURCES. IN OUR VIEW, HOWEVER, NEITHER THE EXISTING INTERNATIONAL FINANCIAL INSTITUTIONS NOR ANY OF THE UN BODIES ARE AN APPROPRIATE MODEL FOR IFAD TO ATTEMPT TO EMULATE WITH REGARD TO STAFFING PATTERNS. IFAD IS A UNIQUE INSTITUTION IN THAT THE ARTICLES OF AGREEMENT SPECIFICALLY REQUIRE MANY OF ITS FUNCTIONS TO BE PERFORMED BY OTHER INSTITUTIONS. WE ARE URGING THAT IFAD SHOULD MAKE MAXIMUM USE OF INTERNATIONAL INSTITUTIONS; RELY ON CONTRACT SERVICES RATHER THAN DIRECT-HIRE STAFF TO PROVIDE MANY ADMINISTRATIVE SUPPORT FUNCTIONS; AND AVOID A HIERARCHICAL OR TOP-HEAVY STRUCTURE - ALL OF WHICH WILL HELP KEEP OVER-ALL STAFF SIZE AND GRADE LEVELS DOWN WITHOUT IMPAIRING EFFICIENCY.

3. AN EXTREMELY SENSITIVE ASPECT OF THIS PROBLEM IS THAT

AMBASSADOR AL-SUDEARY AS IN EFFECT PRESIDENT DESIGNATE OF IFAD CONCERNED THAT IFAD MAINTAIN ITS INTEGRITY, NOT BE A SECOND-CLASS INTERNATIONAL INSTITUTION AND THAT THE PRESIDENT BE PROVIDED WITH ADEQUATE MANPOWER AND EXPERTISE SO THAT IFAD CAN DO A FIRST-RATE JOB.

4. WHAT WE NEED TO COMMUNICATE TO AL-SUDEARY AND HOPEFULLY ARRIVE AT A COMMON UNDERSTANDING IS THAT WE ALSO WANT IFAD TO DO A FIRST-RATE JOB AND THAT MANAGEMENT

AND STAFFING PRINCIPLES WE ARE ESPOUSING ARE GEARED TO EFFICIENT AND EFFECTIVE IFAD OPERATIONS.

5. THESE ARE AMONG THE POINTS WE ARE PLANNING TO MAKE LIMITED OFFICIAL USE

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IN A STATEMENT TO THE PREPCOM NEXT WEEK. WE WANT IN ADVANCE TO GIVE AMBASSADOR AL-SUDEARY GREATER INSIGHT INTO THE QUESTIONS WE WILL BE RAISING. WE ARE HOPEFUL THAT, DRAWING ON YOUR LONG ACQUAINTANCE WITH THESE UN SYSTEM-WIDE CONCERNS, YOU CAN EXPLAIN TO THE AMBASSADOR THAT:

-- NOW MORE THAN EVER LEGISLATURES ARE DEMANDING PROOF THAT VOLUNTARY AND ASSESSED CONTRIBUTIONS TO MULTILATERAL ORGANIZATIONS ARE BEING CHanneLED TO THE NEEDIEST PEOPLE, AND NOT TO STAFF LARGE HEADQUARTERS AND PAY HIGH-LEVEL EXECUTIVES.

-- THE U.S. IS NOT SINGLING OUT IFAD, NOR AMBASSADOR AL-SUDEARY, FOR CRITICISM.

-- THE INITIATIVES WE ARE PURSING ARE INDEED BEING PURSUED THROUGHOUT THE SYSTEM, INCLUDING AT THE IFT'S.

-- UNLESS SUCCESSFUL IN BETTER RATIONALIZING THE SYSTEM AND MAKING IT MORE COST-EFFECTIVE AND EFFICIENT, WE RISK LOSING THE PUBLIC AND CONGRESSIONAL SUPPORTERS WHO ARE SO ESSENTIAL TO CONTINUED STRONG U.S. LEADERSHIP IN MULTILATERAL ORGANIZATIONS. VANCE

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PAGE 01 STATE 156085
ORIGIN IO-03

INFO OCT-01 SS-05 ISO-00 /009 R

66011
DRAFTED BY IO/AGR:JSWOLF:DKS
APPROVED BY IO/SA:MESWOPE
-----113736 082247Z /73
O 082155Z JUL 77
FM SECSTATE WASHDC
TO USMISSION GENEVA IMMEDIATE

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LIMDIS

FOL RPT STATE 156085 SENT ACTION ROME DATED 06 JUL 77

QUOTE:
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LIMDIS FOR AMB GARDNER

E.O. 11652: N/A

TAGS: EAGR

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Message Attributes

Automatic Decaptioning: Z
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PERSONAL OPINION, AMBASSADORS, ESTABLISHMENT OF OFFICES, DEVELOPMENT PROGRAMS
Control Number: n/a
Copy: SINGLE
Sent Date: 06-Jul-1977 12:00:00 am
Decaption Date: 22 May 2009
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770238-1248
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From: STATE
Handling Restrictions:
Image Path:
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Legacy Key: link1977/newtext/t19770787/aaaacxot.tel
Line Count: 319
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Litigation History:
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Original Classification: LIMITED OFFICIAL USE
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Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 6
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Review Content Flags:
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Review Withdrawn Fields: n/a
SAS ID: 1949968
Secure: OPEN
Status: NATIVE
Subject: AMBASSADOR AL-SUDEARY'S OBJECTIONS TO U.S. POSITION ON PROPOSED IFAD ORGANIZATIONAL STRUCTURE AND STAFF
TAGS: EAGR, IFAD
To: ROME
Type: TE
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22 May 2009
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